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Articles of Agreement
between Anglo American
Telegraph Co. & other
companies.

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Articles of Agreement made this 25th day of June, 1873, BETWEEN the ANGLO-AMERICAN TELEGRAPH COMPANY LIMITED (hereinafter called the Anglo-American Company), of the first part; the SOCIÉTÉ DU CABLE TRANSATLANTIQUE FRANÇAIS LIMITED (hereinafter called the French Cable Company), of the second part; and the Right Honourable VISCOUNT MONCK, LORD WILLIAM MONTAGU HAY, BARON JULIUS DE REUTER, EDWARD JOSEPH HALSEY, Esq., and EATON TRAVERS CUMMINS, Esq. (the Liquidators of the French Cable Company, and hereinafter called the Liquidators), of the third part:

WHEREAS pursuant to certain special resolutions of the French Cable Company duly passed on the 23rd May, 1873, and confirmed on the 13th June, 1873, and certain special resolutions of the Anglo-American Company, duly passed on the 22nd May, 1873, and confirmed on the 13rd June, 1873, the liquidators have entered into an agreement with the Anglo-American Company for the sale and transfer to that Company of the French Cable Company's undertaking and business, and certain of its property, in exchange for 345,155 new shares of the Anglo-American Company, of the nominal value of £3,451,550, credited as fully paid up, and the Anglo-American Company has agreed to increase its present share capital to £7,000,000 sterling by the creation of new shares:

NOW THESE PRESENTS WITNESS that in consideration of the premises, it is hereby agreed between the parties hereto that the Anglo-American Company will allot and issue to the liquidators, or as they may direct, 345,155 new shares of £10 each, of the nominal value of £3,451,550, credited as fully paid, which said shares are numbered, or intended to be numbered, from 254,846 to 600,000 both inclusive, and the said shares shall not be subject to the payment of any part thereof in cash.

IN WITNESS whereof the Anglo-American Company have hereunto caused their Common Seal and the hands of one of their Directors and their Secretary to be hereunto set, and the Liquidators have hereunto set

their hands and seals, and affixed the Common Seal of the French Cable Company, the day and year first above written.

The Common Seal of the Société du Cable Transatlantique Français Limited was hereunto affixed by order of the Liquidators in the presence of

W. M. HAY, } *Two of the Liquidators.*
EDWARD J. HALSEY, }

Seal of the
Société du Cable
Transatlantique
Français Limited.

The Common Seal of the Anglo-American Company Limited was affixed in the presence of

AUG. T. HAMILTON, *Director.*
JOHN GRANT, *Secretary.*

Seal of the
Anglo-American
Company
Limited.

MONCK. (L.S.)
W. M. HAY. (L.S.)
JULIUS DE REUTER. (L.S.)
EDWARD J. HALSEY. (L.S.)
EATON T. CUMMINS. (L.S.)

Signed sealed and delivered by the said Lord William Montagu Hay, Edward Joseph Halsey, and Eaton Travers Cummins, in the presence of

THOS. W. BISCHOFF,
4, Gt. Winchester Street Buildings, London, *Solicitor.*

Signed sealed and delivered by the said Baron Julius de Reuter in the presence of

WILLIAM J. LOVEDAY,
24, Old Jewry.

Signed sealed and delivered by the said Right Honourable Viscount Monck, in the presence of

M. BROCK,
House Steward,
Charleville, Bray.

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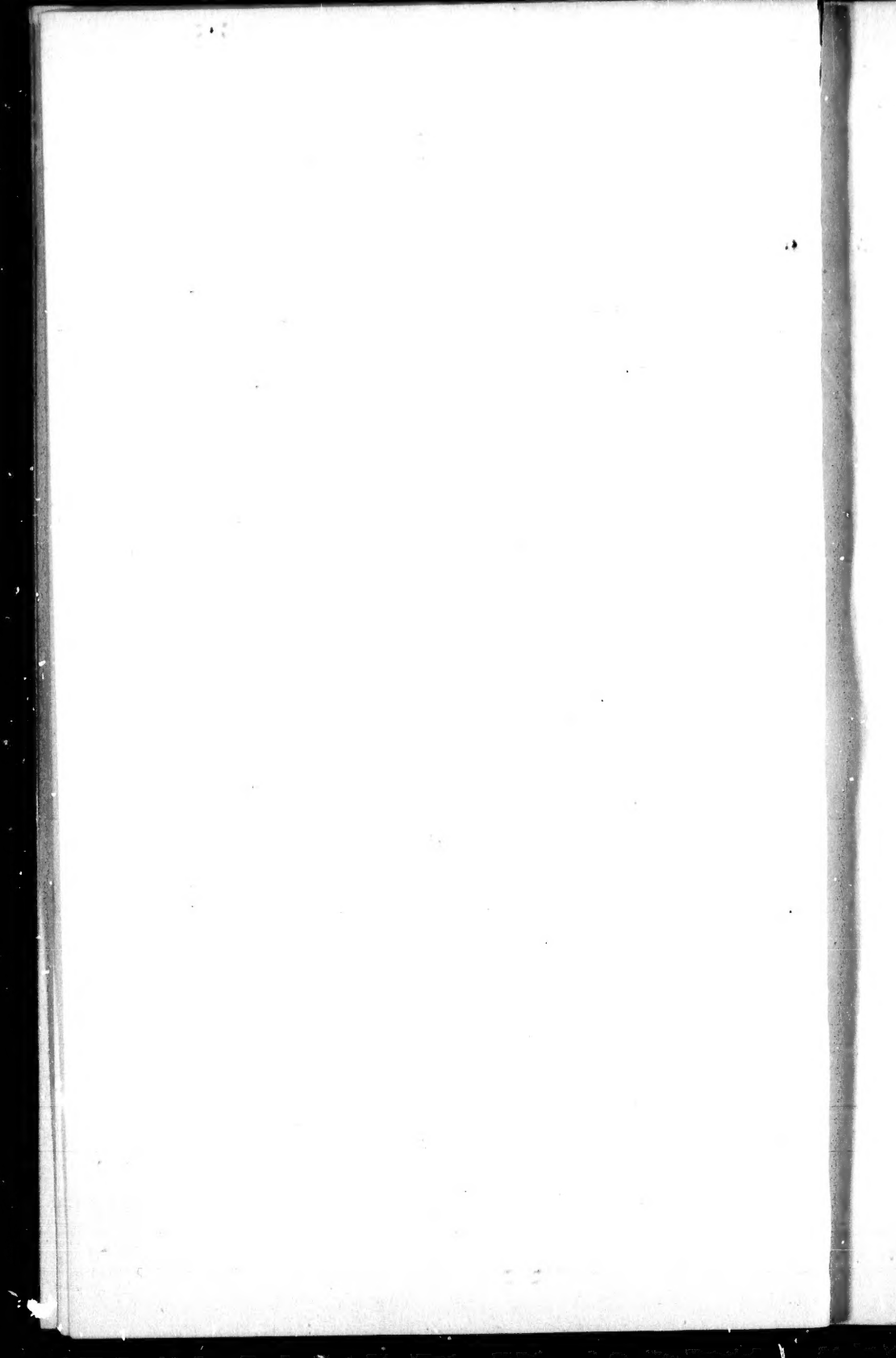
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Articles of Agreement made this 26th day of June, 1873, BETWEEN THE NEW YORK, NEWFOUNDLAND AND LONDON TELEGRAPH COMPANY, (hereinafter called the Newfoundland Company,) of the first part, THE ANGLO-AMERICAN TELEGRAPH COMPANY LIMITED, (hereinafter called the Anglo-American Company,) of the second part, and THE NEWFOUNDLAND LAND COMPANY LIMITED, (hereinafter called the Land Company,) of the third part:

WHEREAS the Newfoundland Company was incorporated by an Act of the Legislature of Newfoundland (17th Vic., cap. 2), passed on the 15th April, 1854; and under the said Act and other Acts of the same legislature amending the same, the Newfoundland Company has certain exclusive rights and privileges as regards telegraphic operations in Newfoundland for a period of fifty years from its incorporation, subject to such right of pre-emption by the Government of the said colony, to come into effect after twenty years from the passing of the said Act, (17th Vic., cap. 2,) as in the said Act mentioned:

AND WHEREAS under an Act of the Legislature of Prince Edward's Island (17th Vic., cap. 4), passed on the 10th May, 1854, and subsequent Acts amending the same, or some of them, the Newfoundland Company also has exclusive rights and privileges for telegraphic operations in the colony of Prince Edward's Island, and under an Act of the then Province of Canada (18th Vic., cap. 209) the said Company has power to construct and work lines of telegraph in Canada:

AND WHEREAS by the said Acts, or some of them,

provision is made for the grant to the Newfoundland Company by the governments of Newfoundland and Prince Edward's Island respectively of tracts of land in those colonies :

AND WHEREAS the Newfoundland Company is also entitled to certain exclusive rights and privileges in the state of Maine, under an Act of the legislature of that state, passed on the 10th of April, 1856:

AND WHEREAS under the said recited Acts, or some of them, the Newfoundland Company has from time to time established, and is now the owner of, various main lines of Telegraph, by means whereof it has established a communication with the continent of America, and various branch lines, including one between New Brunswick and Prince Edward's Island, and land lines in the last mentioned Island :

AND WHEREAS by an agreement dated the 21st July, 1855, and made between the Nova Scotia Electric Telegraph Company, hereinafter called the Nova Scotia Company, of the one part, and the Newfoundland Company of the other part, the Nova Scotia Company, which had certain rights concerning the laying of telegraphs in the colony of Nova Scotia, agreed to permit the Newfoundland Company to land its submarine cable from Newfoundland upon Cape Breton, (which is a part of the last-mentioned colony,) at Cape North, and to lay a further telegraphic line by land thence to Port Hood, (which is also in Nova Scotia,) and to connect the same with the Nova Scotia lines in that station: and the said now reciting agreement contained various provisions as to the said telegraph lines, and other matters affecting the two Companies :

AND WHEREAS the Newfoundland Company landed the said submarine cable at Cape North, and laid a telegraph land line thence to Port Hood :

AND WHEREAS between the dates of the last-recited agreement and of the letters next hereinafter recited the rights of the Nova Scotia Company in respect of telegraphic lines in Cape Breton became and were vested in the Western Union Telegraph Company of New York, hereinafter called the Western Union Company :

AND WHEREAS by an agreement between the Wes-

tern Union Company and the Newfoundland Company, embodied in three letters, one dated 24th June, 1857, from Mr. M. Green, on behalf of the Western Union Company, to Mr. Cyrus Field on behalf of the Newfoundland Company, the second dated 25th June, 1857, from Mr. Orton, the Vice-President of and on behalf of the Western Union Company, to Mr. Cyrus Field, on behalf of the Newfoundland Company, and the third dated 25th June, 1857, from Mr. Edward Kavanagh, Secretary of and on behalf of the Newfoundland Company, to Mr. William Orton, the Vice-President of and on behalf of the Western Union Company, it was provided, amongst other things, that the point of union between the telegraphic lines of the Newfoundland and Western Union Companies should be changed from Port Hood to Plaister Cove, now Port Hastings, a point in the Gut of Canso on the main land of the Colony of Nova Scotia, and that the Western Union Company should turn over to the Newfoundland Company all the lines and business of the Western Union Company in Cape Breton:

AND WHEREAS the agreement contained in the said letters was carried into effect, and has ever since been acted upon by all the parties to it, and a working agreement under seal dated the 13th of May, 1870, (which is still in force,) has been made between the Western Union Company of the first part, and the Newfoundland Company, the Atlantic Telegraph Company, the Anglo-American Company, and the French Cable Company of the second part, on the basis of the agreement contained in the said letters:

AND WHEREAS under the circumstances aforesaid the Newfoundland Company became and is the owner of the Western Union Company's system of telegraphic lines in Cape Breton, which the Newfoundland Company has since extended: and the line from Cape North to Port Hastings has been put out of use, and the through business of the Newfoundland Company has been conducted by means of lines to Port Hastings, on the main land of Nova Scotia:

AND WHEREAS by an Act of the legislature of Newfoundland (20th Vic., cap. 1), passed on the 3rd of

March, 1857, the Newfoundland Company is empowered by resolution of the stockholders, or a majority of them in interest, to effect a consolidation with the Atlantic Telegraph Company Limited, upon such terms and conditions, and under such corporate name as might be agreed upon between the said Companies: and it was thereby provided that in case the Atlantic Telegraph Company Limited should procure their incorporation in that or any other name by an Act of the Imperial Parliament, or in case any other Company should thereafter be formed with which the Newfoundland Company should enter into an agreement similar in terms to that mentioned in the Act, such other Corporation or Company should stand in the place of the said Atlantic Telegraph Company Limited in respect to every power or authority thereby given:

AND WHEREAS the Government of Newfoundland some time since, in pursuance of the provisions in that behalf hereinbefore recited, made to the Newfoundland Company a grant of a tract of land at La Manche on the east side of Placentia Bay, in the island of Newfoundland, containing six square miles or thereabouts, which land with the buildings thereon is now held by the trustees of the Newfoundland Mining Company Limited, under a lease from the Newfoundland Company, with an option to the lessees to purchase the same at a certain price and within a certain time:

AND WHEREAS the Newfoundland Company has not yet received the full amount of land from the Government of Newfoundland to which it is entitled, and has not yet received any grants from the Government of Prince Edward's Island:

AND WHEREAS the Anglo-American Company was formed in the year 1866, under the provisions of the Companies' Act, 1862, for the purpose (amongst other things) of the construction, maintenance and working of submarine and land telegraphs between Great Britain and America, or between any places or points forming or intended to form part or parts of any telegraphic route between those countries or any intermediate places, and the entering into contracts and agreements with any company, corporation or persons with refer-

ence to any objects of the Company, and the acquiring by purchase or otherwise of all such concessions, grants, privileges and other rights as might be useful or desirable for any of the objects mentioned in its Memorandum of Association :

AND WHEREAS the Anglo-American Company is empowered by its Articles of Association to do the following things (amongst others), viz.—

- (1) To increase its capital ;
- (2) To issue to any company, corporation or person shares wholly or partly paid-up in lieu of making payment in money ;
- (3) To purchase or acquire the whole or any part of the property, assets or business of any other company or corporation :

AND WHEREAS various working and other agreements have from time to time been entered into between the Newfoundland Company and the Atlantic Telegraph Company and the Anglo-American Company respectively, and by an agreement dated the 27th March, 1866, which has been confirmed by subsequent agreements, the Newfoundland Company agreed to pay to the Anglo-American Company, out of certain receipts therein mentioned, a subsidy at the rate of £25,000 a-year :

AND WHEREAS after the date of the said Act of Newfoundland (20th Vict. cap. 1), the Atlantic Telegraph Company Limited was incorporated by an Act of the Imperial Parliament, under the name of the Atlantic Telegraph Company, and pursuant to certain arrangements made between the two Companies all the undertaking, property, rights, and privileges of the Atlantic Telegraph Company have become vested in the Anglo-American Company, and the Newfoundland Company entered into an agreement with the Anglo-American Company, that the last-mentioned Company might extend its submarine cables to the Island of Newfoundland, and the last-named Company is entitled to stand in the place of the said Atlantic Telegraph Company Limited, in respect to every power or authority given by the said Act (20th Vic. cap. 1.):

AND WHEREAS previously and down to the 1st May, 1873, exclusive the undertakings of the Société du

Cable Transatlantique Français Limited, (hereinafter called the French Cable Company,) the Newfoundland Company, and the Anglo-American Company were being worked by the three Companies respectively, under the provisions of an agreement dated the 15th of January, 1870, and made between 1. The Atlantic Telegraph Company, 2. The Anglo-American Company, 3. The Newfoundland Company, (thereinafter called the Anglo Companies,) of the one part, and the French Cable Company of the other part, whereby it was provided that the joint receipts of the Companies parties thereto (as defined in the said agreement) should be divided in the following proportions, viz., to the Anglo Companies, (in proportions agreed amongst themselves,) $63\frac{1}{3}$ per cent., and to the French Cable Company $36\frac{2}{3}$ per cent. :

AND WHEREAS by a sub-agreement, dated the same 15th of January, 1870, and made between the Newfoundland Company of the first part, the Atlantic Telegraph Company of the second part, and the Anglo-American Company of the third part, it was agreed that the Atlantic Company and the Anglo-American Company should have two-thirds, and the Newfoundland Company one-third of the receipts accruing to the Anglo Companies under the said lastly hereinbefore recited agreement, subject to the payment by the Newfoundland Company to the Anglo-American Company, out of its proportion of the receipts thereunder, of the said annual subsidy of £25,000 :

AND WHEREAS by resolutions of a majority in interest of the stockholders of the Newfoundland Company, duly passed at a meeting held in London on the 5th of May, 1873, the Directors of that Company were authorised to execute an agreement in the terms hereinafter contained :

AND WHEREAS by special resolutions unanimously passed at an extraordinary general meeting of the Shareholders of the Anglo-American Company, held in London on the 22nd May, 1873, and confirmed at a like meeting held in London on the 13th June 1873, the Directors of that Company were also authorised to execute an agreement in the terms hereinafter contained :

AND WHEREAS it has been agreed that pursuant to the hereinbefore recited Act of Newfoundland, (20 Vict., cap. 1) the Newfoundland Company shall effect a consolidation with the Anglo-American Company upon such terms and conditions as hereinafter provided, but that previously thereto the Newfoundland Company shall sell and make over to the Land Company certain parts of the property of the Newfoundland Company which are not intended to become the property of the Anglo-American Company:

AND WHEREAS an agreement, bearing even date with and executed at the same time as these presents, has been entered into between the Newfoundland Company and the Land Company, a copy whereof is annexed by way of schedule to these presents, and which is hereinafter referred to as the annexed agreement:

AND WHEREAS the Newfoundland Company has delivered an account to the Anglo-American Company, by which it appears that the Newfoundland Company has paid all debts owing by it on the 1st May, 1873, except certain debentures for £16,000, the interest of which is guaranteed by the Newfoundland Government:

AND WHEREAS the capital of the Newfoundland Company at present issued and outstanding is \$4,322,600, equal at the exchange of four shillings to the dollar to £864,520, divided into 43,226 shares of \$100, equal at the same exchange to £20 each.

NOW THESE PRESENTS WITNESS, that in consideration of the mutual covenants and agreements hereinafter contained, the parties hereto do mutually covenant, agree and declare with and to each other, each Company covenanting for the acts to be done by it, in manner following (that is to say):—

1. The Newfoundland Company will with all convenient speed, and at the expense in all respects of the Land Company, complete the sale and transfer to the Land Company, in pursuance of the annexed agreement, of such part of the property of the Newfoundland Company as is not intended to be, in pursuance of Art. 7, vested in or transferred to the Anglo-American Company.

2. The Newfoundland Company will forthwith give

notice for payment off of the amount thereof, at maturity, and will forthwith pay over to the Anglo-American Company the sum of £16,000, the principal of the said debenture debt. The Anglo-American Company shall apply the said sum to purchasing at any price not exceeding par or paying off at maturity the said debentures, and shall invest the said sum until required for that purpose, upon such security as the said Company shall think fit, and shall apply the interest and proceeds of such investment in or towards paying the interest on the said debentures until the date of their purchase or maturity. If the interest of the said £16,000 so invested shall not be sufficient to pay the interest on the said debentures, the Land Company will on demand pay the Anglo-American Company the deficiency. As and when the said debentures are purchased or paid off, the Anglo-American Company shall cancel them, and shall deliver them, so cancelled, to the Government of Newfoundland.

3. So soon as the Newfoundland Company shall have paid the said sum of £16,000 to the Anglo-American Company, the Anglo-American Company will issue and allot the sum of £864,520 in fully paid-up new shares or stock of that Company, to be created as hereinafter provided, to the shareholders of the Newfoundland Company, as mentioned in Article 4, and will issue and allot the further sum of £135,480 of such new shares, fully paid up, to the International Financial Society Limited, (hereafter called the International Society,) to be held by the said Society upon the trusts, and with and subject to the powers and provisions mentioned in Article 5.

4. The £864,520 new shares mentioned in Article 3 shall be issued and allotted by the Anglo-American Company, as fully paid up, to the persons who shall be the registered holders of the shares of the Newfoundland Company, on the 26th June, 1873, 1 at the rate of two new shares of £10 for each share of \$100 in the Newfoundland Company held on that day by such persons respectively.

5. The said sum of £135,480 new shares mentioned

in Article 3 is to be held upon the following trusts, and with, and subject to the following powers and provisions, viz. :—

- (A) Upon trust to receive the dividends to be declared on the said last-mentioned sum of new shares during a period of two years, expiring on the 30th of April, 1875, and invest the same in such manner, other than upon shares of the Anglo-American Company, as shall be agreed on between the Anglo-American Company and the International Society from time to time.
- (B) Upon trust to issue to the holders of the shares of the Newfoundland Company, registered as such on the said 26th June, 1873, one certificate for each share of the Newfoundland Company held by them on that day respectively, each of which certificates shall represent $\frac{1}{43,126}$ th (one forty-three thousand two hundred and twenty-sixth) part of the trust fund, consisting of the said new stock and the accumulated dividends thereon, after deducting the costs, charges and expenses of administering the trust, and remuneration to the International Society at the rate of £500 per annum during the continuance of the trust.
- (c) In case the Government of Newfoundland shall not, before the 1st of May, 1875, have taken any action, by which the present position of the Newfoundland Company, or that of the Anglo-American Company, as the Company with which the Newfoundland Company shall have united or into which it shall have merged, may be altered or affected to the prejudice of the Anglo-American Company, the said trust fund shall (subject to the payment of such costs, charges, and expenses, and such remuneration as aforesaid,) be distributed rateably among the then holders of the

said certificates; but if the said Newfoundland Government shall before the 1st of May, 1875, have taken any such action as aforesaid, which shall have then proved or shall at any time thereafter prove successful, then the said trust fund shall (subject to the payment of such costs, charges, expenses, and remuneration,) be transferred to and become the property of the Anglo-American Company.

- (D) In case any compromise or agreement for compromise shall be entered into between the Anglo-American Company and the Newfoundland Government of any claim made or proceeding taken by the Newfoundland Government, the Anglo-American Company and the International Society may enter into any modified or new arrangement respecting the trust fund and the division of it between the Anglo-American Company and the holders of the said certificates in such proportions as may be approved by the International Society; and every such compromise, if approved by the International Society, and every such agreement between the Anglo-American Company and the International Society, shall be binding on all the holders of the said certificates, and neither the International Society nor the Anglo-American Company shall in any way whatever be answerable or accountable to such holders for any such compromise made or agreement entered into in good faith, nor shall the discretion of the International Society in approving of any such compromise or entering into any such agreement as aforesaid, be subject to be restrained or interfered with by any Court at the instance of any of the said holders.

9. Every shareholder of the Newfoundland Company entitled to an allotment of new shares in the

Anglo-American Company, under Article 4, and to one or more certificates under Article 5, shall, upon delivery to him of a certificate or certificates of the new shares in the Anglo-American Company to which he may be entitled under Article 4, and of the trustees' certificates to which he may be entitled under Article 5, deliver up to the Anglo-American Company the certificate or certificates of his shares in the Newfoundland Company to be cancelled. But the Anglo-American Company may waive this provision in any case in which evidence satisfactory to the Board of Directors of that Company is produced of the loss or destruction of such last mentioned certificate or certificates.

7. When and so soon as the Newfoundland Company shall have completed the sale and transfer to the Land Company, in accordance with Article 1, of all the property not intended by this Article to be vested in the Anglo-American Company, and without waiting for the allotment of shares to be made by the Anglo-American Company as hereinbefore provided, the undertaking and business of a telegraphic Company carried on by the Newfoundland Company, and all cables, land-lines, stations, instruments, plant, machinery and apparatus of the last named Company, and all its lands and buildings used or likely to be reasonably required for telegraphic purposes, (subject as to lands and buildings likely to be so required to the proviso hereinafter in this Article contained,) and excepting as to all land and buildings, the mines and minerals thereunder, and the right to mine and carry away the same, and (by way of inclusion and not of exception,) all other its property used or required for telegraphic purposes, or for and in connection with its said business of a telegraphic Company, and the share register, share ledger and books of the Newfoundland Company relating to its general business, shall vest in and become the property of the Anglo-American Company, for all the estate and interest for which the Newfoundland Company now holds and owns the same, free from all mortgages and other similar incumbrances, but subject to all such rents, services, easements, conditions, and liabilities (if any) as they are now subject to, or the Anglo-American Company

as the Company with which the Newfoundland Company shall have united or into which it shall have merged, will, pursuant to the provisions of the said Act 20th Vict. c. 1, become subject to: and all the rights, powers, privileges, monopolies and concessions granted to or vested in or enjoyed by the Newfoundland Company under any Acts of the Legislatures of Newfoundland, Prince Edward's Island, Canada, or the State of Maine, or otherwise whatsoever, (other than the right to further grants of lands from the Governments of Newfoundland and Prince Edward's Island respectively,) shall vest in and belong to and be exerciseable and enjoyed by the Anglo-American Company, and the last named Company shall be entitled to the benefit, and will accept and undertake, and shall be liable to the burden, of all contracts and agreements entered into by the Newfoundland Company for the purposes of their said telegraph business, and all the profits and receipts of the same business as from the 1st of May, 1873: Provided always that the vesting in the Anglo-American Company of lands and buildings of the Newfoundland Company not now used but likely to be reasonably required for telegraphic purposes, shall be subject to the provisions with reference thereto contained in the annexed agreement. All payments and outgoings to which the Newfoundland Company shall have become liable after the said 1st May in the ordinary course of carrying on its telegraphic business, and for the purposes thereof, shall be borne by the Anglo-American Company.

8. The Newfoundland Company will, if required by the Anglo-American Company and at the expense in all respects of the last named Company, execute under its common seal, and at the time mentioned at the commencement of the preceding Article deliver, to the Anglo-American Company, a conveyance, assignment, and transfer to the Anglo-American Company of all or any part of the property, rights, powers, privileges, monopolies, and concessions which, in pursuance of that Article, are to be vested in the Anglo-American Company; and will do all such other acts and things as by the Anglo-American Company may reasonably be

required for effectually vesting the same premises respectively in the Anglo-American Company.

9. When and so soon as the Newfoundland Company shall have completed the sale and transfer to the Land Company, which is mentioned in Article 1, and any conveyance, assignment, or transfer required by the Anglo-American Company in pursuance of Article 8, the Newfoundland Company shall, without waiting for the allotments of shares mentioned in Article 4 to be made, unite with and merge in the Anglo-American Company, and do all things necessary or expedient to effect a consolidation of the Newfoundland Company into and with the Anglo-American Company, so as to form one Company, under the corporate name of the Anglo-American Telegraph Company Limited, in pursuance and by virtue of the hereinbefore recited Act of the Legislature of Newfoundland: (20 Vic., cap. 1:) which consolidation shall be effected upon and subject to the terms and conditions in the said Act expressed, and upon the further terms and conditions that the regulations of the Anglo-American Company, as existing at the time of the consolidation, or as subsequently altered in accordance with English law, shall be, so far as it shall be lawful by the law of Newfoundland that they should be, the constitution, bye-laws, statutes and regulations of the Consolidated Company.

10. The Land Company shall and will, as between the Anglo-American Company and themselves, pay and discharge all the debts, liabilities and obligations (if any) of the Newfoundland Company of every kind, with the following exceptions:

- (A) The said £16,000 of debenture debt:
- (B) So much of the interest thereof as the interest on the said £16,000 deposited with the Anglo-American Company shall be sufficient to discharge :
- (c) The debts to which the Newfoundland Company shall have become liable after the said 1st May, or shall hereafter become liable in the ordinary course of carrying on its telegraphic business, and for the

purposes thereof; but this exception shall not extend to debts incurred in respect of the general administration of its affairs, as distinguished from the working of its telegraphic lines and cables:

and shall and will keep indemnified from and against such debts, liabilities and obligations the Anglo-American Company and all its estate, and property, including all the stock and property of the Newfoundland Company, in the Colony of Newfoundland, or between the said colony and the Continent of America or elsewhere, which will become the property of the Anglo-American Company by virtue of these presents.

11. The Anglo-American Company will pay over to the Land Company all moneys which the Newfoundland Company is now entitled to receive from the Anglo-American Company, as the Newfoundland Company's proportion of the telegraphic business carried on under the said working agreement of the 15th of January, 1870, down to the 1st May, 1873, exclusive.

12. The Anglo-American Company will, upon the said union and merger taking place, undertake all the engagements of the Newfoundland Company to the Land Company in the annexed agreement, and will perform the same to the Land Company, so far as the same may not have been performed at the date of the said union and merger, and shall be entitled to the benefit of the engagements of the Land Company therein contained, in the same way as if the name of the Anglo-American Company had been substituted therein for that of the Newfoundland Company.

13. The Anglo-American Company will increase its present capital of £1,675,000 stock to £7,000,000, by the creation of New Shares for the sum of £5,325,000, to be issued as fully paid-up, and to be afterwards converted into stock. The said New Shares or stock shall be applied as follows, that is to say:—

- (1) £873,450 to be allotted by way of bonus stock amongst the persons who, on the 30th June, 1873, shall be the registered holders of the existing stock of the Anglo-

American Company, rateably in proportion to the amount of stock held by them respectively, with such provision to avoid fractional shares as the Anglo-American Company shall think fit;

- (2) £3,451,550 to be allotted to the liquidators of the French Cable Company, as the consideration for the purchase of that Company's business and property, as provided by certain Articles of Agreement bearing even date with these presents, and made between the French Cable Company of the first part, the Liquidators of the French Cable Company of the second part, and the Anglo-American Cable Company of the third part.
- (3) £864,520 to be allotted to the shareholders of the Newfoundland Company, as provided in Articles 3 and 4; and
- (4) £135,480 to be placed in trust for the purposes mentioned in Article 5.

14. The Anglo-American Company shall cause an account or balance sheet to be made out up to the 1st May, 1873, and out of the balance to the credit of the said account or balance sheet, after payment of, or making provision for, all its then existing debts and liabilities, the said Company may pay a dividend to the persons who shall be its shareholders before the allotments mentioned in the preceding Article in respect of the period between the 1st of January, 1873, and the 1st of May, 1873, on the existing stock of the Company, at the rate of 2 per cent. on the amount thereof; making up, with a dividend of the same amount which had been before the passing of the said special resolutions already paid upon the said stock for part of the said period, a total dividend in respect of the said period at the rate of 12 per cent. per annum. The residue of such balance (if any) shall be added to the present reserve fund of the Anglo-American Company, and the said reserve fund, or so much thereof as shall not be required for the payment of the said dividend,

together with the amount (if any) to be so added thereto, shall be the reserve fund of the Anglo-American Company after the consolidation hereinbefore provided.

15. The undertakings of the Companies, parties hereto, and the French Cable Company, shall be considered to have been worked down to the 1st May, 1873, exclusive, under the provisions of the said working agreement of the 15th January, 1870, and the accounts between the three Companies shall be settled and closed upon that footing down to that date; and the balance of the joint receipts shall accordingly be divided between the Companies in the proportion provided by the said working agreement, the proportion of the Newfoundland Company being paid, as provided by Art. 11, to the Land Company. As between the Anglo-American Company on the one hand, and the Newfoundland Company and Land Company on the other, the proportion of the joint receipts attributable to the Anglo Companies under the said working agreement, shall be divisible between the Anglo-American Company and the Newfoundland Company in the proportion provided by the said sub-agreement of the 15th January, 1870, and the Newfoundland Company or the Land Company shall, out of the Newfoundland Company's proportion of the said joint receipts, pay to the Anglo-American Company the said annual subsidy of £25,000, from the 28th April, 1873, up to which date it has already been paid, down to the 1st May, 1873, exclusive, being three days. As from the latter date the said working agreement of the 15th January, 1870, and the said sub-agreement shall be abrogated, and the said annual subsidy of £25,000 shall cease to be payable, and the telegraphic undertakings of the three Companies shall be deemed to have been worked on the account and at the risk of the Anglo-American Company alone.

16. All parties hereto will do all such things as shall be necessary or expedient on their respective parts, to carry this agreement into full effect.

IN WITNESS WHEREOF each of the parties to these

presents has caused its Common Seal and the hands of one of its Directors and its Secretary to be hereunto set, the day and year first above written.

[Here follows in the original a copy of the Agreement, dated 26th June, 1873, between the Newfoundland Company and the Land Company.]

The Common Seal of the Anglo-American Telegraph Company Limited was affixed in the presence of

AUG. T. HAMILTON,
Director.

JOHN GRANT,
Secretary.



Seal of the
Anglo-American
Company
Limited.

JAMES ANDERSON,
*Director of the New York, Newfoundland,
and London Telegraph Company.*

JOHN GRANT,
Secretary of the same Company.



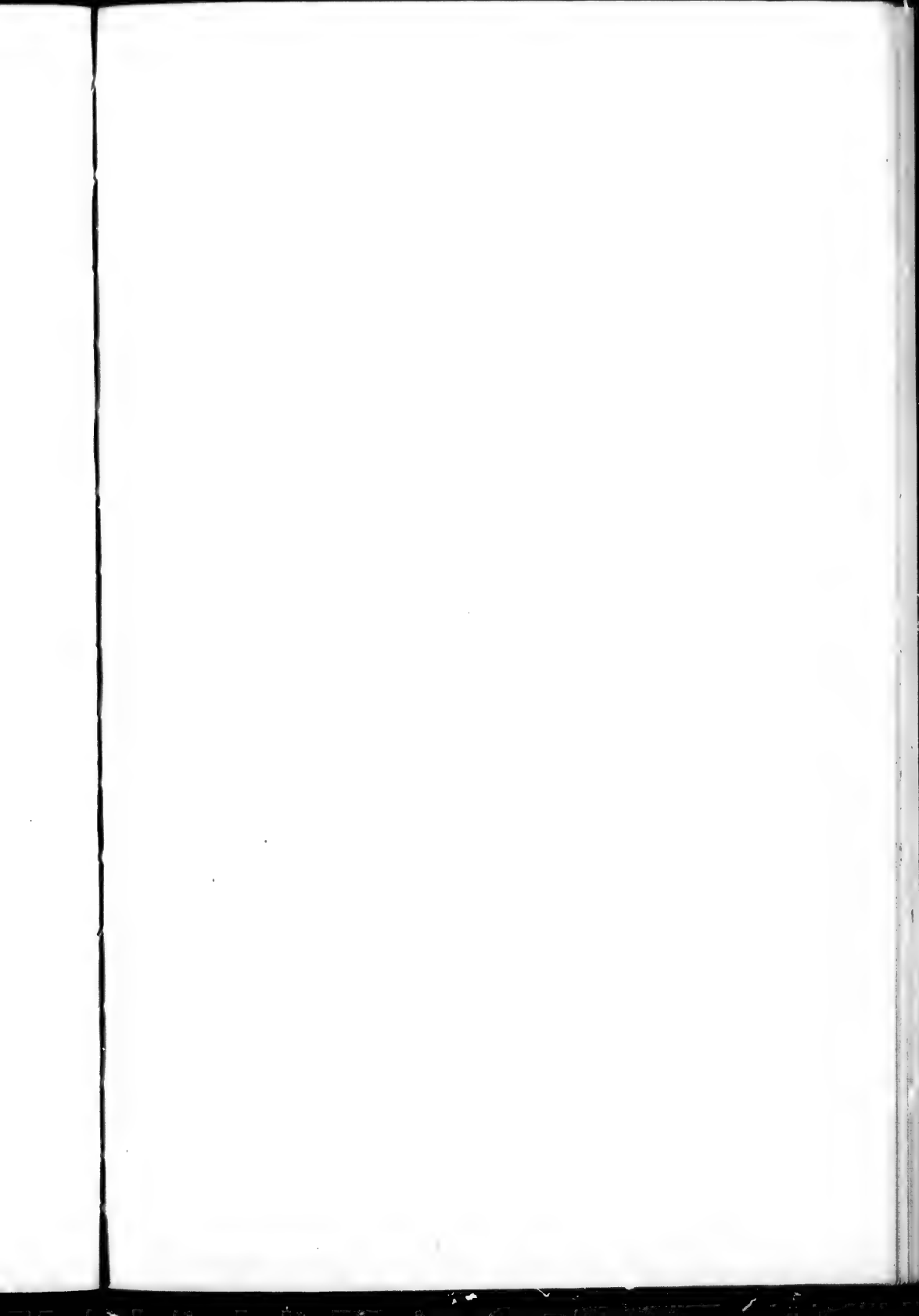
Seal of
the New York,
Newfoundland and
London Telegraph
Company.

E. L. S. BENZON,
*Director of the Newfoundland Land
Company Limited.*

JOHN GRANT,
Secretary of the same Company.



Seal of
the Newfoundland
Land Company
Limited.



Articles of Agreement made this 26th day of June, 1873, BETWEEN THE NEW YORK, NEWFOUNDLAND AND LONDON TELEGRAPH COMPANY, (hereinafter called the Newfoundland Company,) of the first part, THE ANGLO-AMERICAN TELEGRAPH COMPANY LIMITED, (hereinafter called the Anglo-American Company,) of the second part, and THE INTERNATIONAL FINANCIAL SOCIETY LIMITED, (hereinafter called the Society,) of the third part :

WHEREAS the Newfoundland Company was incorporated by an Act of the Legislature of Newfoundland (17th Vic., cap. 2), passed on the 15th April, 1854; and under the said Act and other Acts of the same legislature amending the same, the Newfoundland Company has certain exclusive rights and privileges as regards telegraphic operations in Newfoundland for a period of fifty years from its incorporation, subject to such right of pre-emption by the Government of the said colony, to come into effect after twenty years from the passing of the said Act, (17th Vic., cap. 2,) as in the said Act mentioned :

AND WHEREAS the Newfoundland Company has from time to time established, and is now the owner of, various main lines of telegraph, by means whereof it has established a communication with the continent of America; and various branch lines, including one between New Brunswick and Prince Edward's Island, and land lines in the last mentioned Island, a system of telegraphic lines in Cape Breton :

AND WHEREAS by an Act of the Legislature of Newfoundland (20th Vic., cap. 1), passed on the 3rd of March, 1857, the Newfoundland Company is empowered

by resolution of the stockholders, or a majority of them in interest, to effect a consolidation with the Atlantic Telegraph Company Limited, upon such terms and conditions, and under such corporate name as might be agreed upon between the said Companies: and it was thereby provided that in case the Atlantic Telegraph Company Limited should procure their incorporation in that or any other name by an Act of the Imperial Parliament, or in case any other Company should thereafter be formed with which the Newfoundland Company should enter into an agreement similar in terms to that mentioned in the Act, such other Corporation or Company should stand in the place of the said Atlantic Telegraph Company Limited in respect to every power or authority thereby given :

AND WHEREAS the Anglo-American Company was formed in the year 1866, under the provisions of the Companies' Act, 1862, for the purpose (amongst other things) of the construction, maintenance and working of submarine and land telegraphs between Great Britain and America, or between any places or points forming or intended to form part or parts of any telegraphic route between those countries or any intermediate places, and the entering into contracts and agreements with any company, corporation or persons with reference to any objects of the Company, and the acquiring by purchase or otherwise all such concessions, grants, privileges and other rights as might be useful or desirable for any of the objects mentioned in its Memorandum of Association:

AND WHEREAS the Anglo-American Company is empowered by its Articles of Association to do the following things (amongst others), viz.:—

- (1) To increase its capital;
- (2) To issue to any company, corporation or person shares wholly or partly paid-up in lieu of making payment in money;
- (3) To purchase or acquire the whole or any part of the property, assets or business of any other company or corporation:

AND WHEREAS various working and other agreements

have from time to time been entered into between the Newfoundland Company and the Atlantic Telegraph Company and the Anglo-American Company respectively, and by an agreement dated the 27th March, 1866, which has been confirmed by subsequent agreements, the Newfoundland Company agreed to pay to the Anglo-American Company, out of certain receipts therein mentioned, a subsidy at the rate of £25,000 a-year:

AND WHEREAS after the date of the said Act of Newfoundland (20th Vict., cap. 1), the Atlantic Telegraph Company Limited was incorporated by an Act of the Imperial Parliament, under the name of the Atlantic Telegraph Company, and pursuant to certain arrangements made between the two Companies, all the undertaking, property, rights, and privileges of the Atlantic Telegraph Company have become vested in the Anglo-American Company, and the Newfoundland Company entered into an agreement with the Anglo-American Company that the last-mentioned Company might extend its submarine cables to the Island of Newfoundland, and the last named Company is entitled to stand in the place of the said Atlantic Telegraph Company Limited, in respect to every power or authority given by the said Act (20th Vic., cap. 1):

AND WHEREAS by resolutions of a majority in interest of the stockholders of the Newfoundland Company, duly passed at a meeting held in London on the 5th of May, 1873, the Directors of that Company were authorised to execute an agreement in the terms of that which is next hereinafter recited or referred to:

AND WHEREAS by special resolutions unanimously passed at an extraordinary general meeting of the Shareholders of the Anglo-American Company, held in London on the 22nd May, 1873, and confirmed at a like meeting held in London on the 13th June, 1873, the Directors of that Company were also authorised to execute an agreement in the same terms:

AND WHEREAS by an agreement, bearing even date with but executed immediately before these presents, and made between the Newfoundland Company of the

first part, the Anglo-American Company of the second part, and the Newfoundland Land Company Limited of the third part, it is agreed that pursuant to the hereinbefore recited Act of Newfoundland (20th Vict., cap. 1) the Newfoundland Company shall effect a consolidation with the Anglo-American Company, upon such terms and conditions as thereafter provided, one of which is that the Anglo-American Company shall allot and issue to the Society the shares hereinafter mentioned, to be held upon the trusts, and with, under, and subject to the powers and provisions hereinafter contained.

AND WHEREAS the capital of the Newfoundland Company at present issued and outstanding is \$4,322,600, equal at the exchange of four shillings to the dollar to £864,520, divided into 43,226 shares of \$100, equal at the same exchange to £20 each.

NOW THESE PRESENTS WITNESS, that in consideration of the mutual covenants and agreements hereinafter contained, the parties hereto do mutually covenant, agree, and declare with and to each other, each party covenanting for the acts to be done by it, in manner following (that is to say):—

Article 1. So soon as the Newfoundland Company shall have paid to the Anglo-American Company the sum of £16,000 mentioned in the hereinbefore recited agreement of even date herewith, the Anglo-American Company will issue and allot the sum of £135,480 of new shares or stock of that Company fully paid up, to the Society, to be held by the said Society upon trust to deal therewith in accordance with the provisions of this agreement.

Article 2. The Society shall receive the dividends to be declared on the said new shares during a period of two years, expiring on the 30th of April, 1875, and invest the same in such manner, other than upon shares of the Anglo-American Company, as shall be agreed on between the Anglo-American Company and the Society from time to time.

Article 3. The Society shall issue to the holders of

the shares of the Newfoundland Company, registered as such on the 26th June, 1873, one certificate for each share of the Newfoundland Company held by them on that day respectively, each of which certificates shall represent ~~13.1336th~~ (one forty-three thousand two hundred and twenty-sixth) part of the trust fund, consisting of the said new stock and the accumulated dividends thereon, after deducting the costs, charges and expenses of administering the trust, and remuneration to the Society at the rate of £500 per annum during the continuance of the trust, which the Society is hereby authorised to deduct and retain.

Article 4. In case the Government of Newfoundland shall not, before the 1st of May, 1875, have taken any action, by which the present position of the Newfoundland Company, or that of the Anglo-American Company, as the Company with which the Newfoundland Company shall have united or into which it shall have merged, may be altered or affected to the prejudice of the Anglo-American Company, the said trust fund shall (subject to the payment of such costs, charges, and expenses, and such remuneration as aforesaid,) be distributed rateably among the then holders of the said certificates; but if the said Newfoundland Government shall before the 1st of May, 1875, have taken any such action as aforesaid, which shall have then proved or shall at any time thereafter prove successful, then the said trust fund shall (subject to the payment of such costs, charges, expenses, and remuneration,) be transferred to and become the property of the Anglo-American Company.

Article 5. In case any compromise or agreement for compromise shall be entered into between the Anglo-American Company and the Newfoundland Government of any claim made or proceeding taken by the Newfoundland Government, the Anglo-American Company and the Society may enter into any modified or new arrangement respecting the trust fund and the division of it between the Anglo-American Company and the holders of the said certificates, in such proportions as may be approved by the International Society; and

every such compromise, if approved by the Society, and every such agreement between the Anglo-American Company and the Society, shall be binding on all the holders of the said certificates, and neither the Society nor the Anglo-American Company shall in any way whatever be answerable or accountable to such holders for any such compromise made or agreement entered into in good faith, nor shall the discretion of the Society in approving of any such compromise or entering into any such agreement as aforesaid, be subject to be restrained or interfered with by any Court at the instance of any of the said holders.

Article 6. All the trusts, powers, and authorities hereby given to the Society shall be performed and exercised by the Board for the time being of the Society or the majority of the Directors at the time being present at the Board, in the same way as they administer the affairs of the Society itself, and none of the Directors of the Society shall under any circumstances whatever be personally responsible to the holders of the certificates for any breach of trust by reason of any act done or purporting to be done by them in the administration of the trusts, powers and authorities herein reposed in or given to the Society, notwithstanding the said Directors or any of them may as such Directors have done or concurred in doing the acts alleged to be breaches of trust, it being the distinct intention and purpose of the parties hereto that the Society shall alone be responsible to the holders of the certificates.

Article 7. The Society shall keep such registers as it shall think fit of the persons from time to time holders of the said certificates, and the remuneration of £500 per annum hereinbefore mentioned shall cover all office expenses of the Society in respect of keeping the said register, and issuing the certificates, and registering transfers thereof, but the Society shall be entitled to expenses incurred for printing, stationery, postage and other stamps.

IN WITNESS whereof each of the parties hereto hath

hereunto caused its common seal, and the hands of one of its Directors, and its Secretary to be hereunto set, the day and year first above written.

The Common Seal of the Anglo-American Company Limited was hereunto affixed in the presence of

AUG. T. HAMILTON,
Director.

JOHN GRANT,
Secretary.



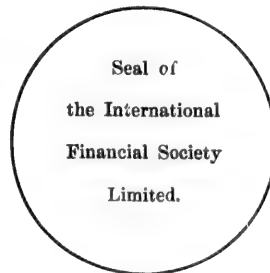
JAMES ANDERSON,
Director.

JOHN GRANT,
Secretary.



ROBERT A. HEATH,
Chairman.

W. A. MICHAEL,
Secretary.



Articles of Agreement made this 25th day of June, 1873, between the **ANGLO-AMERICAN TELEGRAPH COMPANY LIMITED** (hereinafter called the **Anglo-American Company**) of the first part; the **NEW YORK NEWFOUNDLAND AND LONDON TELEGRAPH COMPANY**, hereinafter called the **Newfoundland Company**, of the second part; and the **INTERNATIONAL FINANCIAL SOCIETY LIMITED**, (hereinafter called the **Society**, of the third) part :

WHEREAS pursuant to certain special resolutions of the **Anglo-American Company**, duly passed on the 22nd May, 1873, and confirmed on the 13th June, 1873, and certain resolutions duly passed at a general meeting of the shareholders of the **Newfoundland Company**, held on the 5th May, 1873, the **Newfoundland Company** has entered into an agreement with the **Anglo-American Company** for the vesting in that Company of the **Newfoundland Company's** telegraphic property, undertaking and business, and for the union, merger and consolidation of the **Newfoundland Company** in and with the **Anglo-American Company**, in consideration of the allotments of shares hereinafter agreed to be made, and the **Anglo-American Company** has thereby agreed to increase its present share capital to £7,000,000 sterling by the creation of new shares:

NOW THESE PRESENTS WITNESS that in consideration of the premises it is hereby agreed between the parties hereto that the **Anglo-American Company** will allot and issue to the persons who shall be the registered holders of the shares of the **Newfoundland Company**, on the 26th June, 1873, 86,452 new shares of the **Anglo-American Company** of £10 each of the nominal value of £864,520, credited as fully paid up, which shares are numbered or intended to be numbered from 600,001 to 686,452 both inclusive, which allotment

shall be made to the said persons at the rate of two new shares of £10 each for every one share of \$100 in the Newfoundland Company, held on that day by such persons respectively, and the Anglo-American Company will also allot and issue to the Society 13,548 new shares of £10 each, of the nominal value of £135,480, credited as fully paid up, which said last-mentioned shares are numbered or intended to be numbered from 686,453 to 700,000 both inclusive: and none of the said shares hereinbefore mentioned shall be subject to the payment of any part thereof in cash.

IN WITNESS WHEREOF each of the parties hereto hath hereunto caused its common seal, and the hands of one of its Directors and its Secretary to be hereunto set, the day and year first above written.

The Common Seal of the Anglo-American Telegraph Company Limited was hereunto affixed in the presence of

AUG. T. HAMILTON,
Director.

JOHN GRANT,
Secretary.

JAMES ANDERSON,
*Director of the Newfoundland
Telegraph Company.*

JOHN GRANT,
Secretary of the same Company.

ROBERT A. HEATH,
Chairman.

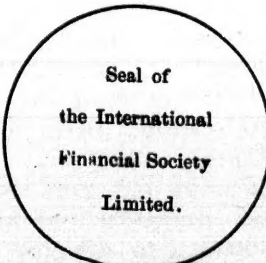
W. A. MICHAEL,
Secretary.



Seal of
the Anglo-American
Telegraph Company
Limited.



Seal of
the New York,
Newfoundland and
London Telegraph
Company.



Seal of
the International
Financial Society
Limited.

